

SANFORD D. BISHOP, JR.
SECOND DISTRICT, GEORGIA

COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEES:

AGRICULTURE

DEFENSE

MILITARY CONSTRUCTION/VA

WASHINGTON OFFICE:

2429 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-1002
PHONE: (202) 225-3631
FAX: (202) 225-2203



Congress of the United States
House of Representatives
Washington, DC 20515-1002

DISTRICT OFFICES:

ALBANY

235 ROOSEVELT AVENUE
ALBANY TOWERS, SUITE 114
ALBANY, GA 31701
PHONE: (229) 439-8067
FAX: (229) 436-2099

COLUMBUS

18 NINTH STREET, SUITE 201
COLUMBUS, GA 31901
PHONE: (706) 320-9477
FAX: (706) 320-9479

THOMASVILLE

137 EAST JACKSON STREET
THOMASVILLE, GA 31792
PHONE: (229) 226-7789
FAX: (229) 226-7860

March 22, 2010

Governor Sonny Perdue
State of Georgia
Office of the Governor
Atlanta, GA 30334-0900

Dear Governor Perdue:

Thank you for your letter dated March 18, 2010, about the health care reform legislation. I am especially grateful for the opportunity to clear up any misunderstandings that you may have of the measure that was voted upon by the United States House of Representatives on March 21, 2010.

Your letter expressed concern about the impact that the Medicaid expansion will have on state budgets across the nation. You will be pleased to learn that under the House-passed health reform bill (H.R. 3590 as amended by the reconciliation legislation), the federal government will fully fund the Medicaid expansion through 2016. Beginning in 2017, states will be required to make a modest contribution of 5% to help pay for health care provided to the lowest income households through the Medicaid program. In 2018, Georgia's contribution will rise to 6%. In 2019, the state share then will increase to 7%. Finally, in 2020 and beyond, states will be required to contribute 10% of the cost, while the federal government will cover the remaining 90%.

Counting the federal government's Medicaid contribution and 100% federal funding of the subsidies in the Exchange together, the federal government will be contributing at a minimum about 98% of the cost of covering thousands of currently uninsured people in Georgia and nationwide. According to the nonpartisan Congressional Budget Office, the federal contribution will be fully paid for by a combination of revenue provisions as well as making existing federal health programs more efficient. You can rest assured that I would not have supported a health care reform measure that would have placed burdensome requirements on the states and left Governors like you with unfunded mandates.

Your letter also notes that the states will be required to fund and operate an Exchange. That claim simply is not accurate. Under the provisions of the underlying Senate bill, states have the option to delegate this responsibility to the federal government which will operate the Exchange at no cost to the state.

Concerning your point about the employer responsibility requirements, you should be aware that employer-sponsored coverage represents the overwhelming majority of private coverage today. Health reform seeks to strengthen and build on that base – not to disrupt it. The employer requirements only apply to businesses with 50 or more employees that do not offer insurance *and* whose employees receive federal subsidies because they lack coverage at work. Small businesses are exempt from any contribution requirement, but are eligible for tax credits of up to 50% of the cost of providing insurance if they choose to do so. Given that 95% of businesses with more than 50 employees already offer insurance, it seems only fair that health reform encourages a level playing field so that the 5% of large employers who do not offer insurance can no longer be free riders by requiring others to pick up the tab when their uninsured employees seek care in community clinics or emergency rooms.

As for the “backroom, sweetheart deal” in the Senate health reform bill such as the extra Medicaid funding for Nebraska, I strongly agree with you that it does not belong in the final legislation. The reconciliation bill removes the increased Medicaid funding for Nebraska.

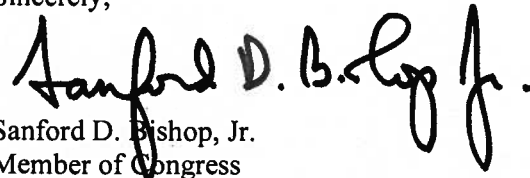
In closing, you correctly stated in your letter that my vote on health care reform legislation is one of the biggest decisions in my congressional career. I was fortunate to have received input from thousands of my constituents in the Georgia’s Second Congressional District before casting my vote in favor of the bill.

When I cast my vote, I was not thinking about political considerations. I was thinking about those Georgia residents who are denied health insurance because of pre-existing conditions like cancer, heart disease, and diabetes. I was thinking about those Georgia residents who cannot afford to pay their health insurance premiums because their premiums have risen 6.4 times faster than their median wages over the last decade. I was thinking about the more than one in three Georgia residents under the age of 65 (or 34%) who were uninsured for one month or more during 2007-2008. I was thinking about those Georgia senior citizens who cannot afford their prescription drugs because they fall into the Medicare Part D “donut hole.” And I was thinking about the fact that Georgia continues to rank near the bottom in terms of the health of its citizens. For these people and for millions of Americans like them, I decided to support the health reform legislation.

I am confident that when the health reform legislation is enacted and its benefits begin to be felt, it will enjoy the overwhelming support of the citizens of Georgia. I look forward to working with you to ensure that all Georgians enjoy a healthy future.

With warmest regards, I remain

Sincerely,

A handwritten signature in black ink that reads "Sanford D. Bishop, Jr." with a stylized flourish at the end.

Sanford D. Bishop, Jr.
Member of Congress